

## Section 2

# Market Snapshot

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This section provides a snapshot of California waste tire markets in 2015 and key trends as of spring 2016. More detailed, segment-specific information is provided in Section 3.

### ***2015 Diversion and Recycling Rates***

Table 1 lists the quantity of California-generated tires flowing to each market segment and the percentage of the total quantity for each market for 2013 through 2015. After reaching an all-time high of 92.9 percent waste tire diversion in 2012 (exceeding CalRecycle's 90 percent goal), the rate dipped to 80.9 percent in 2015. Since the adoption of AB 341 (Chesbro, Chapter 476, Statutes of 2011), which established a statewide recycling goal of 75 percent for all discarded materials, CalRecycle now focuses on achieving a 75 percent tire recycling goal. Consistent with AB 341, this report now separately reports waste tire diversion (including all uses outside of landfill disposal) and waste tire recycling excluding TDF, ADC, and exports of TDF and bales (assumed to be used as TDF abroad). Based on this definition, the 2015 waste tire recycling rate is estimated at 35.8 percent, less than the 2014 rate of 38.0 percent and significantly down from the 2012 recycling rate of 44.3 percent.

### ***Synopsis of Trends***

Figure 2 shows waste tire end use trends by broad market category since 2002. Taking all of the information below into account, there is a good chance that both tire diversion and recycling rates will increase, due to expected growth in civil engineering applications, the potential for growth in crumb rubber uses, and an uptick in exports of processed TDF in early 2016, which could further increase diversion, but not recycling.

**Exports:** After rising rapidly beginning in 2009, exports of processed TDF (typically 2- to 4-inch shreds) and baled waste tires peaked in 2012 at 13.5 million PTEs before dropping to 9.4 million PTEs in 2015. In 2015, 6.6 million PTE of processed TDF (down from 7.4 million PTEs in 2014) and 2.8 million PTEs of baled waste tires (down from 3.6 million PTEs in 2014) were exported to Asian countries. Prior to 2015 these categories were combined. An estimated 0.7 million PTEs of culled used tires were also exported in 2015. This is significantly less than the 1.8 million PTEs reported for 2014; however, this is most likely due to a refinement in the estimation methodology, which the authors believe now more accurately reflects exported used tires. Export of processed TDF is reportedly going strong in early 2016, and export of baled waste tires, which had waned in 2015 and early 2016, may be picking up as well.

**Reuse:** In addition to the exported used tires, in 2015 an estimated 2.4 million PTEs of used tires were culled from waste tire flows for sale domestically, for a total of 3.1 million PTEs used tires in 2015. Retreading in 2015 was estimated at 4.3 million PTEs, 2 percent higher than in 2014. Overall (including exported used tires), the tire reuse category as a whole was down by 12 percent at 7.4 million PTEs. Reuse is a